

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6167**

**BILL NUMBER:** HB 1047

**NOTE PREPARED:** May 4, 2011

**BILL AMENDED:** Apr 7, 2011

**SUBJECT:** Study Audit Requirements for Service Providers.

**FIRST AUTHOR:** Rep. Crouch

**FIRST SPONSOR:** Sen. C. Lawson

**BILL STATUS:** Enrolled

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill requires the Division of Disability and Rehabilitative Services (DDRS) to: (1) conduct a study on the number and types of audits and surveys required of entities providing services for which the DDRS pays; and (2) evaluate whether certain providers that have achieved national accreditation should be considered by the DDRS to be accredited for purposes of surveys conducted by state agencies; and to report back concerning the study to the Developmental Disabilities Commission and the Health Finance Commission by September 1, 2011.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** The requirements that the Division of Disability and Rehabilitative Services conduct a study of service providers may increase state expenditures with a maximum one-time expense of \$25,000.

The bill requires DDRS to conduct the required study of providers in the state and report findings to the Developmental Disabilities Commission and the Health Finance Commission by September 1, 2011. The Family and Social Services Administration (FSSA) reports that the requirements of this bill will require one temporary staff position between the date the bill is enacted and September 1, 2011 (or approximately 1/3 of a fiscal year). Based on the adjusted annual salary of a similar position, it is expected the total maximum expense to the state would be approximately \$25,000.

The additional funds and resources required could be supplied through existing staff and resources currently being used in another program or with new appropriations used to either fill a temporary position or contract out the work requirement. Ultimately, the source of funds and resources required to satisfy the requirements

of this bill will depend on legislative and administrative actions.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** DDRS.

**Local Agencies Affected:**

**Information Sources:** Susie Howard, FSSA, 232-4641.

**Fiscal Analyst:** Bill Brumbach, 232-9559.